



SCIENCE BASED TARGETS NETWORK  
GLOBAL COMMONS ALLIANCE



FRESHWATER

# Stakeholder Consultation for Model Selection Recommendations

STEP

3

MEASURE, SET  
& DISCLOSE

## Version History

Version	Update description	Release Date	Effective Dates
1.0		July 2024	July 2024 - indefinite

## Background

Between May 2023 and February 2024, 17 pioneering companies representing sectors and supply chains significantly impacting nature embarked upon a unique journey: piloting the first-ever science-based targets for nature. The companies piloted SBTN's target validation process to ensure the validation criteria for companies to set targets are robust, feasible, and clear, and that SBTN has the ability to make any necessary enhancements before opening the validation process to all interested companies. Learnings from pilot companies setting Freshwater targets formed the basis for revisions to V1.1 of the Step 3 Freshwater method.

**A pilot learning for the Freshwater method was that stakeholder consultation for model selection can be time and resource intensive. However, when consultation is successful, it paves the way for collaboration.** Several pilot companies could not identify a suitable local model for high-priority basins for various reasons, including that relevant local-level stakeholders were unresponsive during the pilot timeframe. Furthermore, in some cases, companies could not confirm with stakeholders whether the global model was acceptable for target setting in the basin. Yet, in cases where stakeholder consultation was successful, it helped companies better understand the needs in the basin and, in some cases, the projected trends.

In response to this learning, SBTN revised a requirement for the stakeholder consultation process and clarified several aspects. In this document, we supplement the Freshwater method with recommendations to support companies in the completion of stakeholder consultations.

### Recommendations for identifying relevant local stakeholders

As an early part of the stakeholder consultation process, SBTN recommends that companies contact site staff to learn about the local, regional or national water authorities. Questions to ask site staff include:

- *Does the site require a permit or comply with any regulations or agreements regarding its pressures?*
- *Which agencies or basin authorities issue the site's permits?*
- *What agency or utility bills the site for its water use?*
- *Have they talked to anyone else in the area about water? E.g., academia, NGOs, community groups, etc.*

After identifying the relevant authorities, companies should follow the model selection process outlined in section 3.1.2 of the SBTN Freshwater Guidance.

SBTN also suggests that companies perform desktop research to learn about 1) other relevant stakeholders in the region, 2) local models and thresholds, 3) target setting and implementation actions occurring in the basin, and 4) prospective partners for collective action. The following is a list of "research questions" that may assist the consultation process:

1. Who manages water in the basin?
2. Do national or regional targets exist?
3. Are there basin threshold studies?
4. Is there peer-reviewed literature that uses hydrologic models that are protective of nature?
5. Which crops are grown in the basin?

6. What industries/companies operate in or source from the basin?
7. Are there active corporate water stewardship programs in the basin?
  - Are there any [Alliance for Water Stewardship \(AWS\) certified sites](#) or [Impact Accelerator](#) programs?
  - Are there activities in the Water Action Hub and [100 Priority Basins](#)?
  - Could resources through other [global approaches](#) be leveraged?

SBTN recommends that companies determine basin-wide targets from the global models before engaging stakeholders. So, when asking about local models and thresholds, global model results can also be assessed for appropriateness.

Finally, in order to fulfill SBTN's stakeholder consultation requirements and achieve higher impact, companies should be prepared to invest in stakeholder relationship building and consultation (See SBTN's Stakeholder Engagement guidance).

### **Relationship with Landscape Engagement target (from SBTN Land Guidance section 3.2.6)**

The Landscape Engagement target can also form an integral part of the target-setting process for the SBTN Freshwater targets. If a company is planning to set a Landscape Engagement target in the same basin where it is using a local model to set Freshwater Quantity/Quality targets, then it should first follow the necessary steps for setting a Freshwater target, by following sections 3.1.2 and 3.1.3 of the SBTN Freshwater Guidance. When using a local model for Freshwater targets, in fact, a company is setting freshwater targets that are based on hydrological and/or freshwater quality models specific to a given basin (i.e., developed for that basin). These are paired with locally based thresholds, emphasizing those that are recognized by the local basin management authority or water resources management agency. Stakeholder engagement is a critical part of ensuring that the model and threshold chosen are appropriate and compatible with corporate data, and it therefore strongly aligns with and complements several requirements of the Landscape Engagement target in this guidance.

Companies should make sure they provide the necessary Freshwater documentation as part of their validation submission before continuing with the Landscape Engagement target.



**SCIENCE BASED TARGETS NETWORK**  
GLOBAL COMMONS ALLIANCE